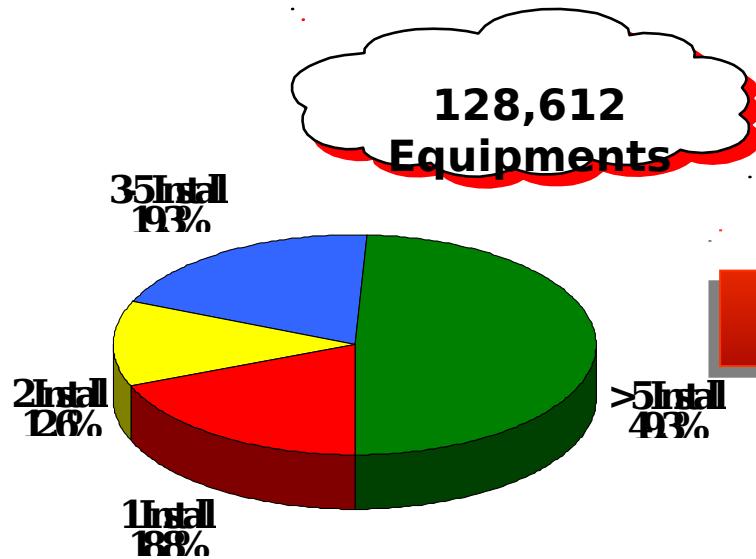




*Maritime HM&E Standardization
Structure ... Best Value Selection Process
Surface Warfare Enterprise*

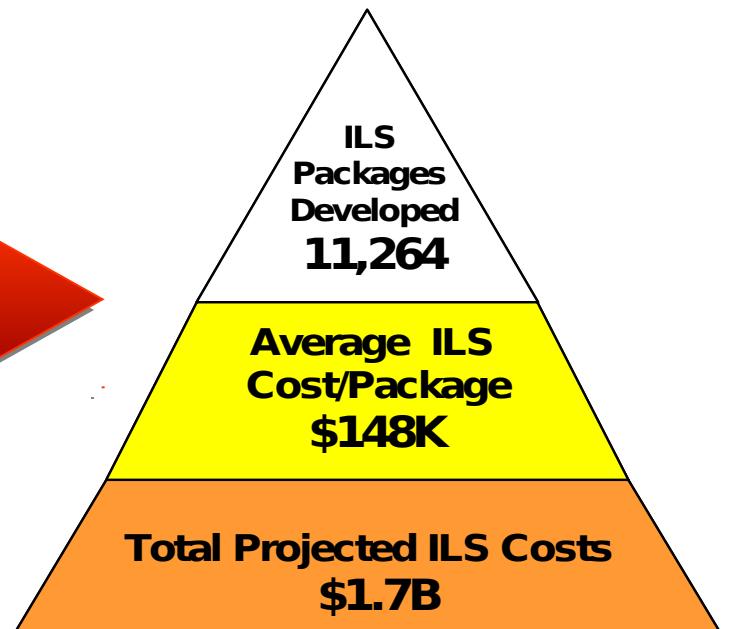
NAVSUP 04

Current Environment



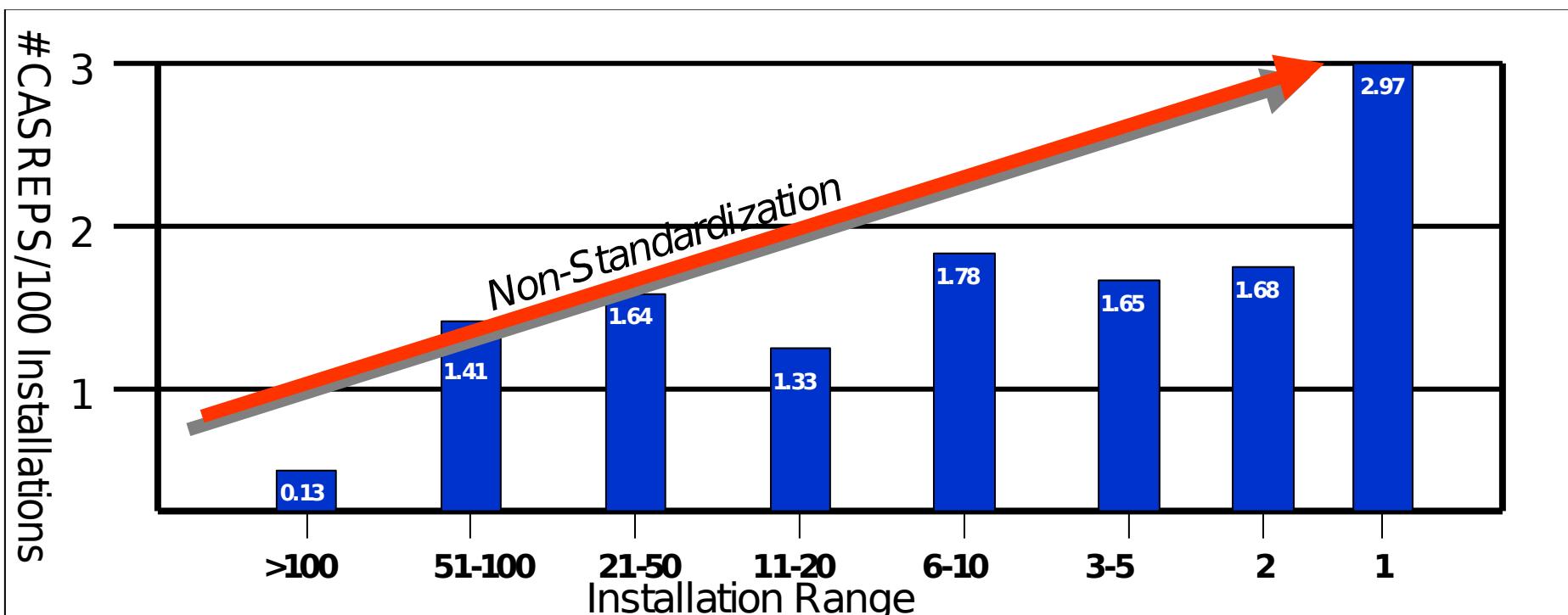
Based on NSLC FY2005 Standard Profiles Reports

Financial Impact



Increased use of common HM&E equipment generates greater interoperability, increases readiness and lowers total ownership costs

- ❖ **Proliferation of non-Standard HM&E introductions**
 - *Drives higher life cycle logistics support costs*
 - *Negatively impacts readiness*



Total Lifecycle Costs
Readiness



Approach



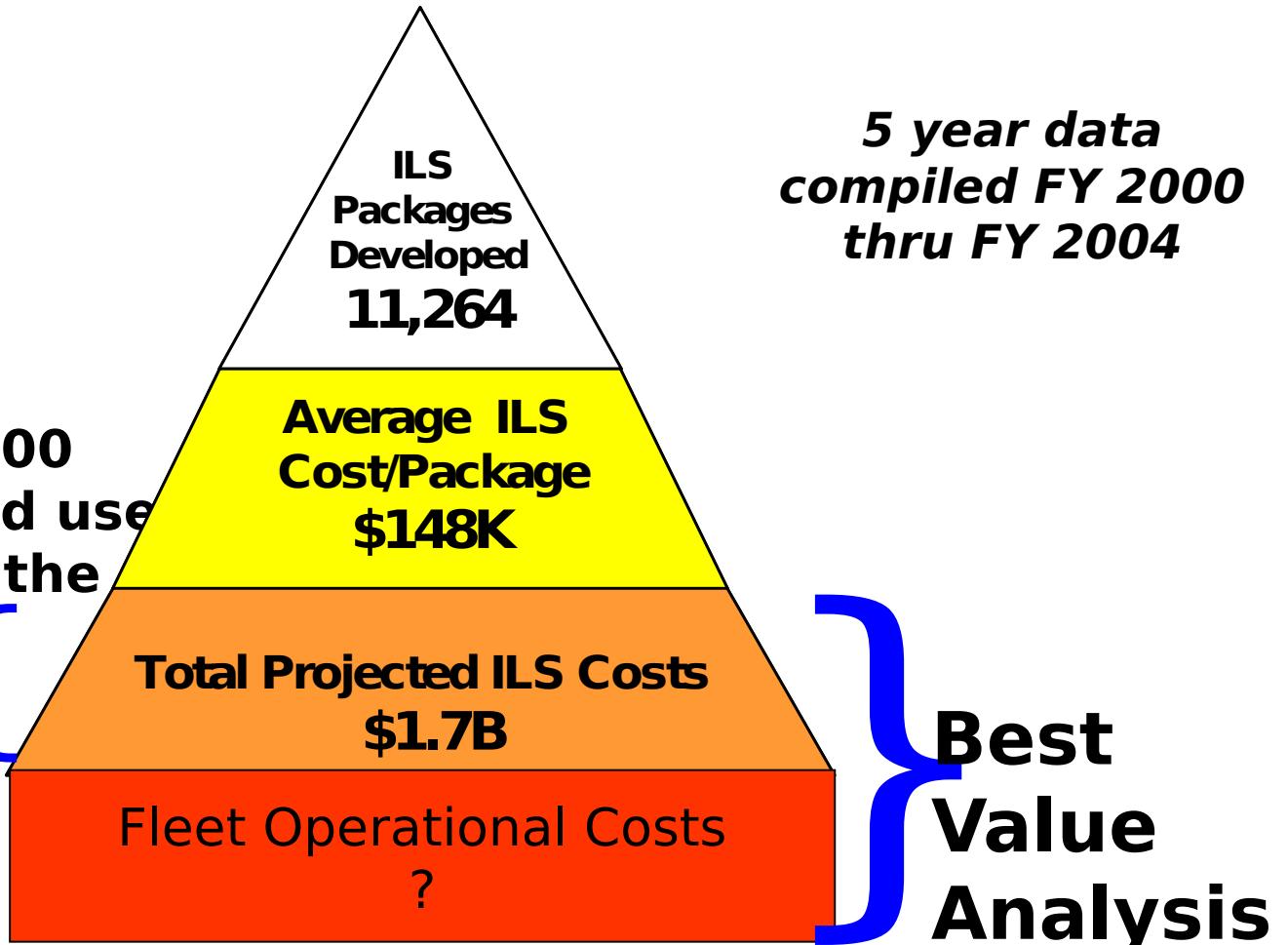
Standardization

Right Readiness...Right cost



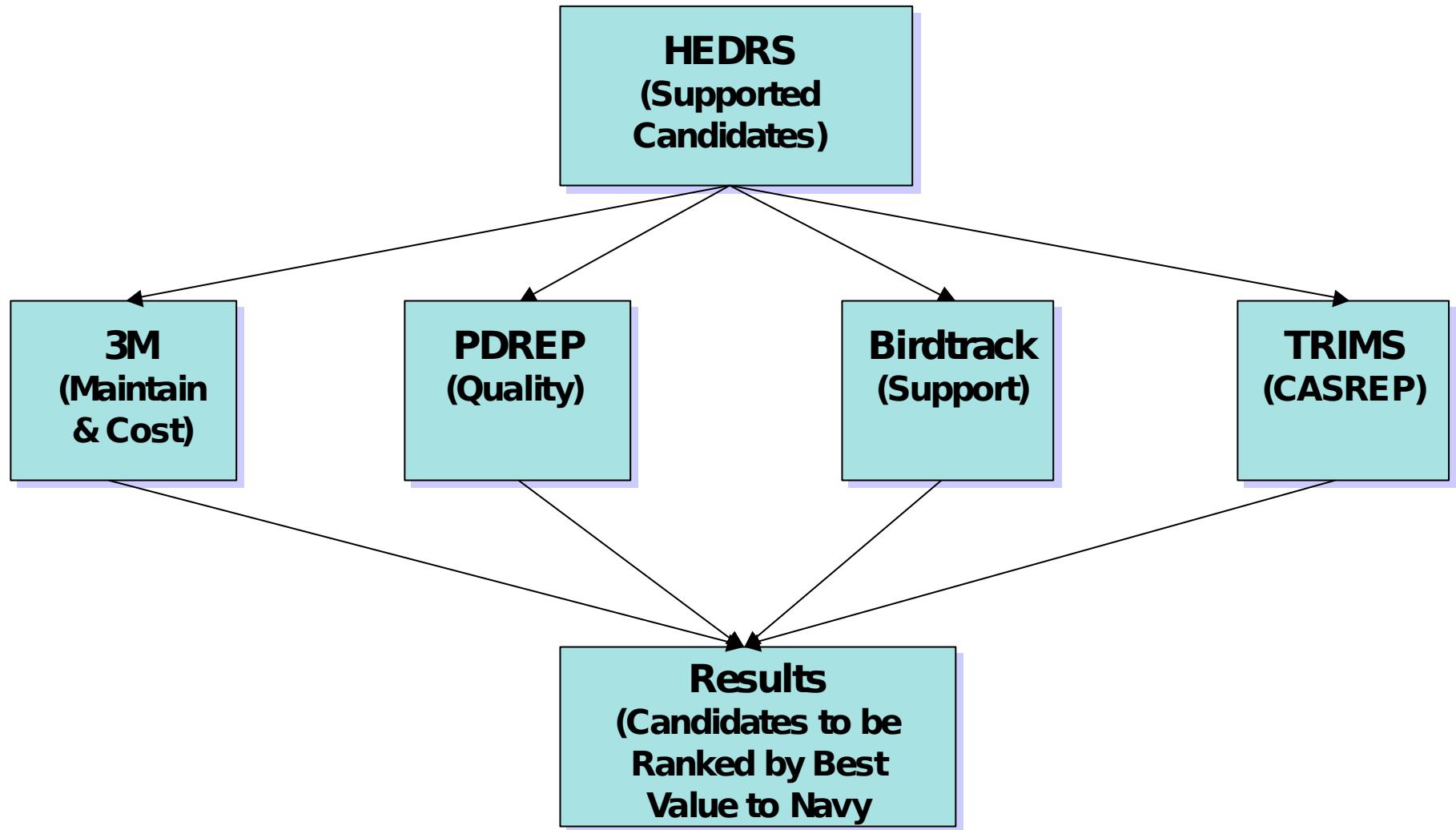
- Commodity Contract Vehicles
- Best Value Analysis

**NNSY Code 500
recommended use
of HEDRS by the
maintenance
Community**





NAVSUP Best Value Data Flow





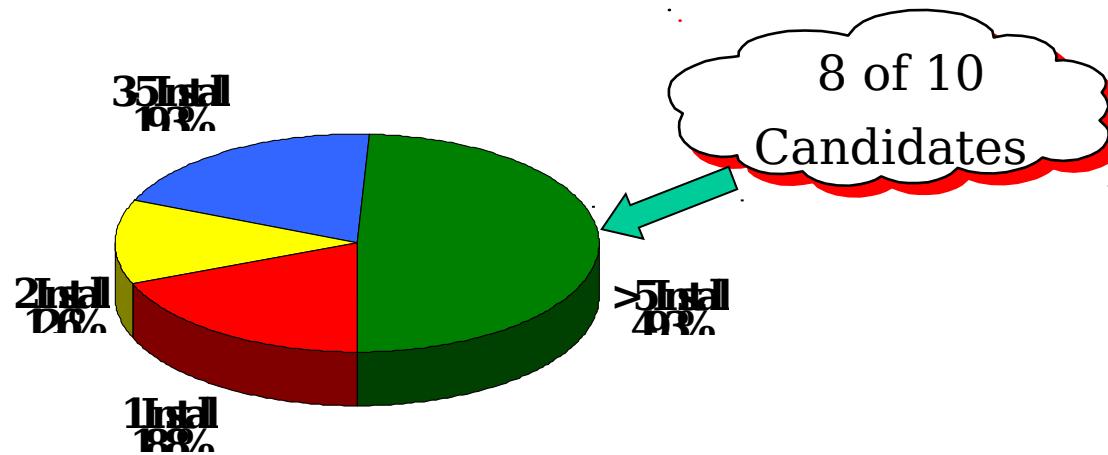
Test Case



- ❖ **Best Value replacement for APL 882045560**
- ❖ **Searched HEDRS using**
 - ***Size - 2.00 inch Gate Valve***
 - ***Type - Inline***
 - ***Pressure Rating - 600 psi***
 - ***Temperature Rating - 775 Degrees F***
 - ***Body Material - Carbon Steel***
 - ***End Connections - Socket Welded***
 - ***OEM Supportability - Fully Supported***

HEDRS Results

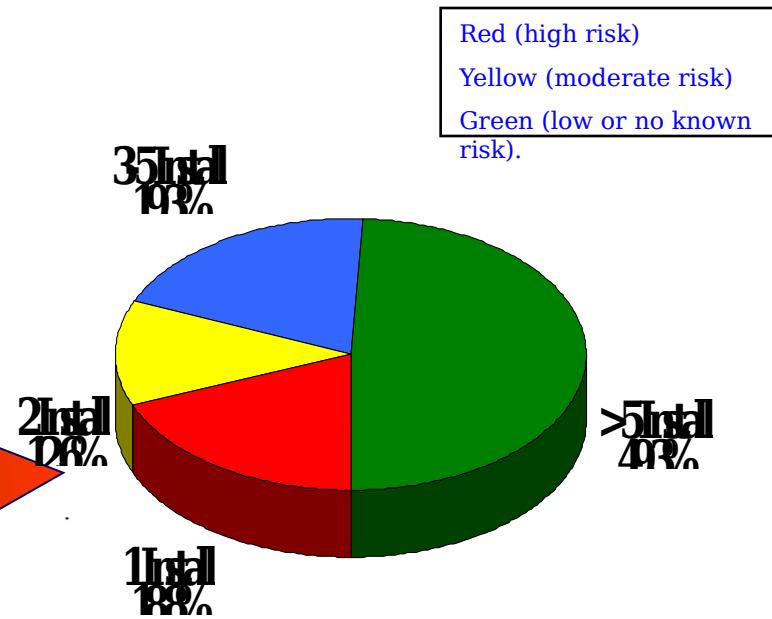
APL	ESC	COTS	NOMENCLATURE					CAGEC	ShipPop	FltPop
882042381	A	N	VALVE GATE	2.000IPS	600.0PSI	SWLDG	85130	1	12	
M882044101	A	N	VALVE GATE	2.000IPS	600.0PSI	SWLDG	57574	5	10	
882044682	A	N	VALVE GATE	2.000IPS	600.0PSI	SWLDG	63220	18	380	
882046885	A	Y	VALVE GATE	2.000IPS	600.0PSI	SWLDG	63220	2	3	
882047450	A	N	VALVE GATE	2.000IPS	600.0PSI	SWLDG	57574	37	623	
882047776	A	N	VALVE GATE	2.000IPS	600.0PSI	SWLDG	57574	3	45	
882049161	A	Y	VALVE GATE	2.000IPS	600.0PSI	SWLDG	63220	15	126	
882049268	A	Y	VALVE GATE	2.000IPS	600.0PSI	SWLDG	13902	2	19	
883040690	A	Y	VALVE GATE	2.000IPS	600.0PSI	SWLDG	61661	1	2	
883040719	A	N	VALVE GATE	2.000IPS	600.0PSI	SWLDG	57574	8	139	



Selection based solely on initial HEDRS results doesn't necessarily yield the Best Value to the Navy!

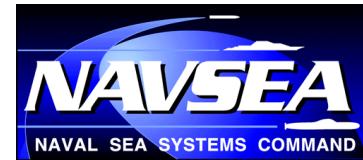
APL	HEDRS Flt Pop	NAVY							PDREP		
		Fleet Population	C3/C4 CASREPs	TOC (per installation)							
				Total Cost	#M/A	#Issues	Total M/H	ACWT (per repair part)	COTS	Quality	Delivery
882047450	623	487	0	\$ 157.00	0.05	0.08	3.75	18	N	Green	Yellow
882049161	126	110	0	\$ 38.36	0.06	0.05	0.89	22	Y	N/A	N/A
882044682	380	54	0	\$ 118.77	0.09	0.02	3.17	37	N	N/A	N/A
883040719	139	1	0	\$ -	0.00	0.00	0.00	0	N	Green	Yellow

When looking at Navy-Only Fleet pops, candidates can be reduced from >5 to 1 install (i.e. APL 883040719)

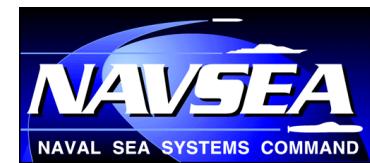




Summary



- ❖ **Represents a Possible Best Value Solution**
- ❖ **Additional data may be needed**
- ❖ **Need to develop ranking factors for data elements**



Back UP

- ❖ **Proliferation of non-standard HM&E equipment has:**
 - *Driven higher life cycle logistics support costs*
 - *Negatively impacted Fleet readiness*
- ❖ **Navy Guidance**
 - *Improve Readiness and Operational Availability*
 - *Reduce TOC through refinement of existing business processes and practices*
 - *Reduce the cost to develop, produce, field and sustain capability*
 - *Lean/Six Sigma...rapid implementation of innovations to address costly process deficiencies*

Greater Standardization = Greater interoperability, increased readiness, lower total ownership costs



Background



EXCOMM

- ❖ ASN (RD&A) directed establishment of Maritime HM&E EXCOMM
- ❖ Co-Chaired by NAVSEA & NAVSUP

Purpose

- ❖ Serve as Maritime HM&E standardization authority
- ❖ Identify standardization opportunities
- ❖ Craft procurement strategies

Goals

- ❖ Increase Fleet material availability
- ❖ Dramatically reduce introduction of non-standard HM&E equipment to the Fleet
- ❖ Reduce overall life cycle costs associated with the introduction of non-standard HM&E
- ❖ Maintain or reduce procurement cost of HM&E for new construction, modernization and repair

Enterprise Solution for standardization...Adopt a single process



Accomplishments



- ❖ Charter signed
- ❖ ESC stood up
- ❖ Working Groups established and co-chairs/membership determined
 - **WG1 New Construction**
 - **WG2 Maintenance/Repair**
 - **WG3 Commodities Management**
 - **WG4 Governance**
- ❖ ESC approved WG 4 Governance approach...
 - *process flow and authority levels*
- ❖ HM&E Standardization web page established
 - <http://www.ns1c.navsea.navy.mil/hme/index.nsf>



ESC Membership

